redemption of debt. But, in fact, it is well known that by no means all that the Government has borrowed for war purposes has been provided in this way. Much of the money that the Government has obtained for war purposes has been got not out of genuine savings of investors, but by arrangements, of various kinds with the banking machinery of the country, or by the simple use of the printing-press, with the result that the Government has provided itself with an enormous mass of new currency which has not been taken out of anybody else's pocket, but has been manufactured by or for the Government.

The consequence of the profligate use of this dishonest process is that general rise in prices, which is in effect an indirect tax on the necessaries of life, involving all the injustice and ill-feeling which arises from such a measure. It is inevitable that the working classes, finding themselves subjected to a rise in prices, the cause of which they do not understand, but the result of which they see to be a great decrease in the buying power of their wages, should believe that they are being exploited by profiteers, that the rich classes are growing richer at their expense out of the war, and that they and the country are being bled by a set of unpatriotic capitalist blood-suckers. It is also natural that the property-owning classes, who find themselves paying

an Income Tax which they regard as extortionate,
should consider that the working classes by their
continuous demands for higher wages to meet higher
cost of living, are trying to exploit the country in
their own interests in a time of national crisis, and